

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEALS OF VIVIAN GRACE) APPEAL NOS. 07-A-2578,
MOORE from the decision of the Board of Equalization of) 07-A-2579 and 07-A-2580
Valley County for the tax year 2007.) FINAL DECISION AND
) ORDER

VACANT LAND APPEALS

NOTICE OF APPEALS were filed September 21, 2007, by Appellant, from three (3) decisions of the Valley County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of properties described as Parcel Nos. RP002940030120A, RP002940020200A and RP00294002004AA. As a matter of convenience, Appellant requested these appeals be heard on the written record of evidence and argument presented, without appearance at a hearing. This Board subsequently requested all information and evidence to be considered be submitted by both parties. The Board now issues its decision based upon the documentary record.

The issues on appeal are the market values of three (3) vacant residential parcels.

The decisions of the Valley County Board of Equalization are affirmed.

FINDINGS OF FACT

Parcel No. RP002940030120A

The total assessed value of this .531 acre lot is \$223,160. Appellant requests the value be reduced to \$120,000.

Parcel No. RP002940020200A

The total assessed value of this .589 acre lot is \$150,710. Appellant requests the value be reduced to \$110,000.

Parcel No. RP00294002004AA

The total assessed value of this 1.624 acre lot is \$236,260. Appellant requests the value

be reduced to \$150,000.

The subject lots are located in the Westwood 1 Subdivision near Cascade, Idaho.

Subject lots are similar in size and location and the parties did not distinguish the parcels in terms of the evidence presented, we will therefore consider the properties together for the purposes of this decision.

Appellant stated the assessed values of subject properties for tax year 2007 were too high. Taxpayer had appealed the assessed values to the BOE over the past several years, however, the values were never decreased.

Appellant had been involved in the buying and selling of real estate for over 32 years and is knowledgeable concerning property values. Taxpayer currently works as a real estate broker, and as such, has had to make substantiated determinations of value for which informed parties would buy or sell property.

Taxpayer presented two properties located in the Westwoods 1 Subdivision to support the claim that the assessed values of subjects were erroneous. The first one, Lot 11 Block 2, is currently listed for sale at \$125,000. The property has been listed for one year, but even with added inducements by the seller, there have been no offers made. The property was assessed for \$167,930.

The second property, Lot 6 Block 1, sold on September 6, 2006 for \$149,800. The property was assessed for \$161,800. This was the only sale in the Westwoods Subdivision in 2006. Appellant contended this lot was larger than any of the subject lots and is better located in relation to the cul-de-sac on West Mountain Road, thus making the property more desirable and valuable than the subject properties.

Appellant stated some of the properties the County submitted as comparable sales were

located in the Royal Scot Subdivision. These lots were much closer in proximity to Tamarack and are therefore influenced by the higher land values of the area. Some sales in the Tamarack area were as high as \$348,809 in 2006. Additionally, the properties located in the Royal Scot Subdivision have access to an all weather road maintained by the County and have more amenities such as sewer, water, and beautifully maintained homes and yards. Several homes have already been built in this subdivision, with many more under construction.

The Westwoods Subdivision, on the other hand, consists of cabins, not homes, and mainly raw land with no maintained yards. Only three (3) cabins have been built in the Westwoods Subdivision, all of which were built several years ago. Subject properties have no sewer or potable water. The road subject properties are located on is not maintained by the County and in the winter is not passable. The West Mountain Road on which subject properties are located is in poor condition and worsens the further north it is traveled. Care must be taken while driving in order to avoid hitting huge pot holes that are caused primarily by logging trucks. The subdivision is stagnant with property values declining and no new development occurring. The market value for properties located in the Westwoods is less today than it was three (3) years ago.

Appellant specifically referred to Subject Parcel RP00294002004A, which consists of lots 4, 5, and 6. Taxpayer stated the parcel is located above the road and it is not possible to drill three wells and have three septic tanks and drain fields. No sewer or water lines are accessible in the subdivision. Potable water is a three (3) mile drive away. The gravel roads are not maintained, and with snow it is impossible to access the lots. Lot 6 is located high above the road with a very steep incline.

Properties located further from Tamarack are lower in price. For instance, in the Smiling

Julie subdivision, which is much more comparable to subject properties, there was a sale for \$110,850. Appellant believes the County disregarded the location of subject properties and did not use like properties when determining the assessed value.

The Assessor stated the assessed values for tax year 2007 were fair. The values were based on a model that was developed from sales received for properties that were similar to subject properties and located in comparable neighborhoods within the county.

The County submitted twenty (20) Westwood Subdivision sales to support the assessed values of subject properties. Of these, seventeen (17) had unknown sale prices. The three (3) reported sale prices were \$120,000, \$149,800 and \$325,000. The assessed values ranged from \$89,660 to \$290,380. Ten (10) additional sales were also submitted to support the assessed value of subject properties. These sale properties ranged in size from 0.488 to 0.884 acres and in sale price from \$110,000 to \$310,000. The assessed values were compared to the sale prices, which indicated an assessment level or ratio of 97%.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following conclusions.

Idaho Code § 63-205 mandates property be assessed at market value on January 1 of the applicable tax year; January 1, 2007 in this case.

For the purposes of taxation, Idaho requires property be assessed at market value as defined in Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable offer or full cash payment.

Asking prices are not considered reliable market value evidence, so we will not consider the property listing offered by Appellant.

Respondent referenced twenty (20) bare lot sales located in the Westwood Subdivision. However, only three (3) sale prices were provided. Two (2) properties sold in 2005 and involved an improved .495 acre lot which sold for \$325,000, and a bare .734 acre lot which sold for \$120,000. Regarding the improved sale, not enough information was provided for the Board to consider.

The 2006 sale was a .653 acre bare lot which sold for \$149,800, and was located in subjects' subdivision. Appellant also referenced this sale.

Respondent also presented ten (10) other sales which ranged in size from .488 to .884 acre with prices from \$110,000 to \$310,000. Appellant argued only one of these sales was comparable to subjects, because they were located closer in proximity to Tamarack and were therefore influenced by the higher land values. The one sale located in Smiling Julie subdivision was claimed to be similar to subjects. The sale was a .488 acre lot which sold for \$110,850 in June 2006.

Of the sales provided, we find the Westwood and Smiling Julie sales the most comparable to subjects. Few details were provided from either party concerning each individual parcel, such as location and topography.

From the Westwoods Subdivision map provided by the County we find Parcel No. RP002940030120A backs up to the river, which was not discussed and the requested value of

\$120,000 was not well supported.

Appellant discussed the detriments of Parcel No. RP00294002004AA, however, no sales of like acreage were provided for the Board to consider.

Lastly, Parcel No. RP002940020200A appears to be most similar to the .653 acre lot which sold for \$149,800 in June 2006 and was located in subjects' subdivision. Both parties presented the Board with this sale. Subject is assessed for \$150,710 which appears to be consistent with this sale and therefore the Board finds the assessed value is supported.

For the reasons above the Board finds subjects' assessed values reasonable. Therefore, the decisions of the Valley County Board of Equalization are affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the three (3) decisions of the Valley County Board of Equalization concerning the subject parcels be, and the same hereby are, affirmed.

MAILED April 30, 2008